



# Electricity Oversight Board

Daily Report for Wednesday, May 7, 2003

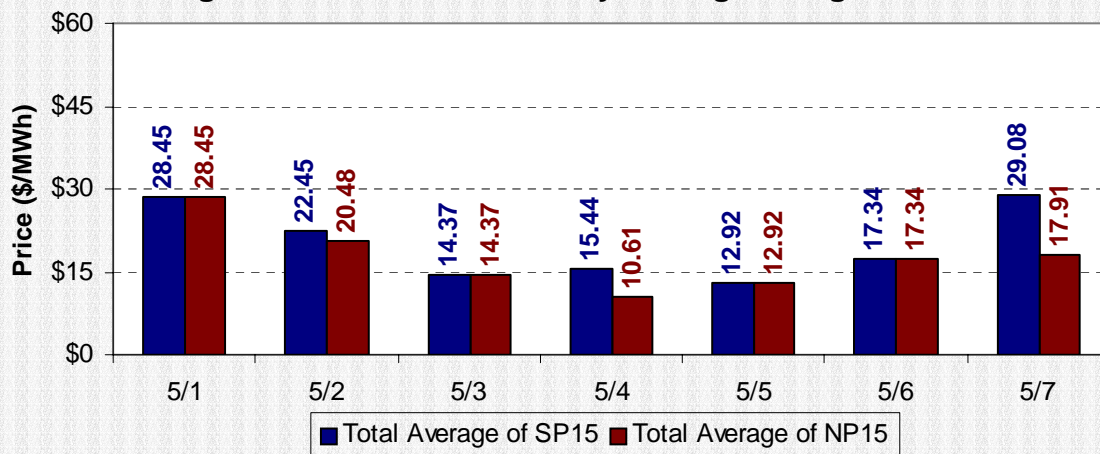
On Wednesday, the average zonal prices split for NP15 and SP15 as a result of congestion on Path 26 in the North-to-South direction for a total of six hours. The NP15 zonal price at \$17.91/MWh remained nearly the same as Tuesday at \$17.34/MWh. However, the SP15 average zonal price at \$29.08/MWh increased sharply from the previous day mainly due to congestion on Path 26 and lower import levels into Southern California as a result of reduced transmission line capacity at the Eldorado tie-line. Other pertaining factors point to:

- Lower natural gas prices. The average natural gas price dropped by 2 percent down from \$4.64/MMBtu on Tuesday to \$5.48/MMBtu on Wednesday.
- Moderate weather conditions. Mild temperatures across California maintained stable demands for electricity.
- Reduced generation levels. On Wednesday, the offline generation levels increased by roughly 750 MW for planned outages.
- Healthy hydroelectric generation.

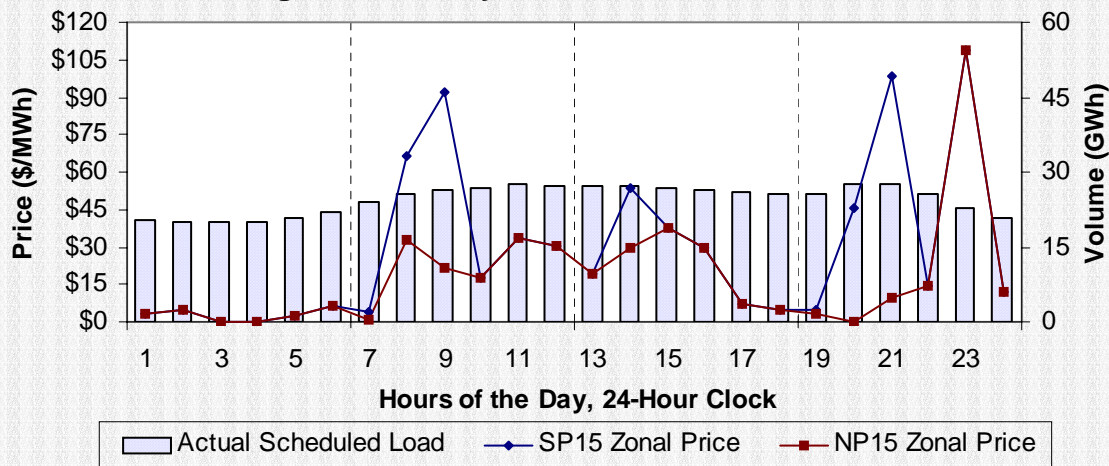
Price spikes for SP15 were mainly the result of congestion on Path 26. The peak price of nearly \$109/MWh at 11 p.m. might have resulted from generation ramp down rate that occurred more rapidly than actual load did.

CAISO Notices: Eldorado transmission line capacity was reduced in both directions from 1,555 MW to 973 MW between the hours of 7:00 p.m. and 12:00 p.m.

**Figure 1 - SP15 & NP15 7-Day Rolling Average Prices**



**Figure 2 - Hourly Zonal Price and Volume**





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Figure 3 - On-Peak Average Price by Market Area

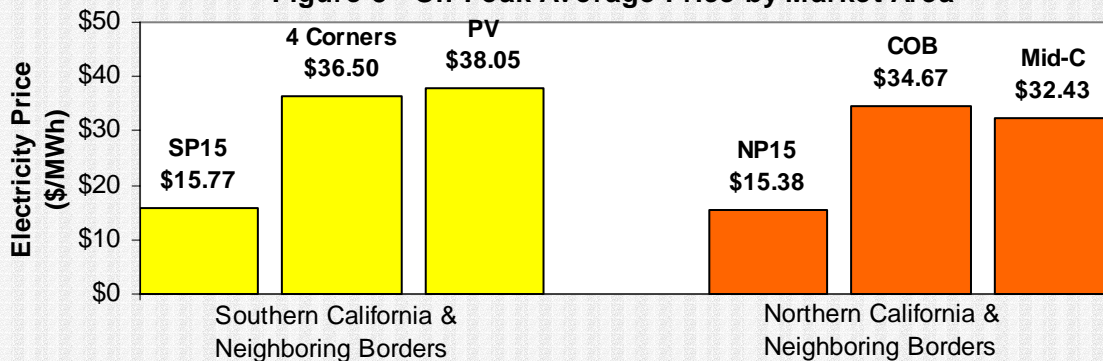


Figure 4 - Seven Day Snapshot of NP15 Zonal Price

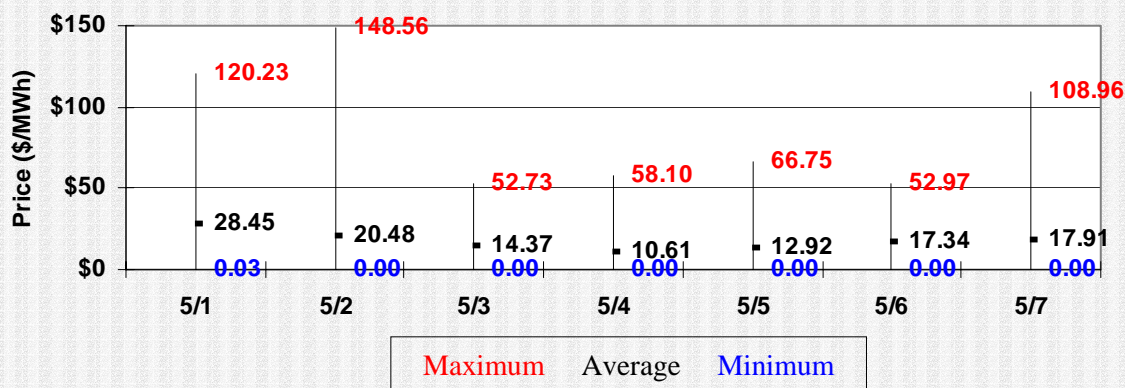


Figure 5 - Average Natural Gas Price

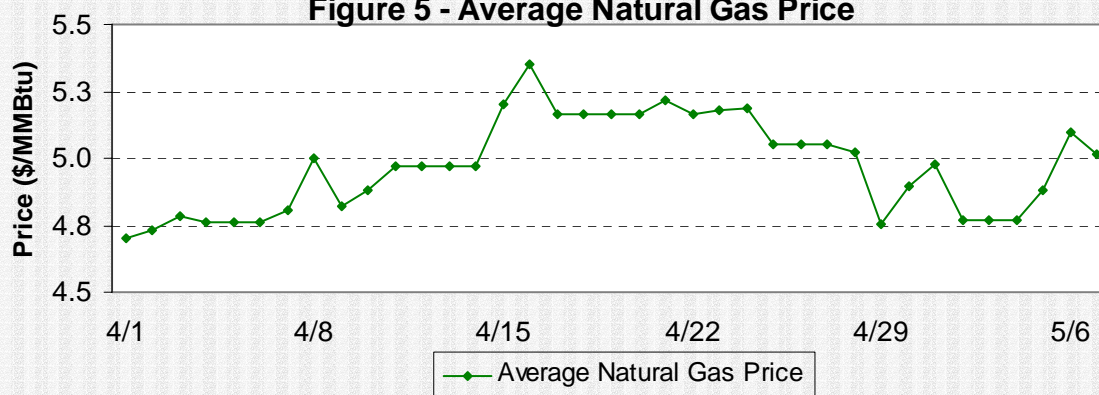


Figure 6 - Average Daily Zonal Price & Total Actual Load

